

**HOUSING AND SHELTERING COMMITTEE
2014 ANNUAL SPRING TOWN MEETING
ARTICLE 34.GENERAL BYLAWS—
ESTABLISHMENT OF
MUNICIPAL AFFORDABLE HOUSING TRUST**

Mission Statement of the Trust

To create and preserve housing in Amherst that is affordable to individuals and families with low and moderate income.

State Enabling Legislation

MGL c.44, s. 55C passed by the State legislature in 2005. A trust is a municipal body: it must follow the Open Meeting Law, public procurement and an annual audit.

The purpose of creating a municipal affordable housing trust is to support the creation and preservation of affordable housing in municipalities for the benefit of low-and moderate-income households.

Since the passage of the law over 70 communities have established housing trusts.

Need for a Housing Trust

The Amherst Housing Production Plan (HPP) approved by the Town and State identifies establishing a trust as a priority to help increase affordable housing in the community. A trust could address the following community needs:

- Rental housing for families
- Rental housing for individuals
- Preservation and improvement of existing affordable housing
- Affordable homeownership for families
- Housing for at risk and special needs populations

Benefits of a Housing Trust

- Streamline the public funding process that is essential for smaller developments that typically access municipal funds and cannot absorb costs of a long project.
- Provide support for construction of affordable housing (non profit or for profit).
- Purchase property on the market that could be used for affordable housing.
- Preserve properties with expiring affordable housing.
- Provide funds for housing rehabilitation.
- Advocate for and facilitate the creation of more affordable housing.
- Organize annual conference on affordable housing and support additional task forces.

Funding a Trust

Trusts are typically funded by dedicated, recurring and non-recurring revenue sources. Some possible sources of funding for an affordable housing trust can include:

- Community Preservation Funds (CPA)
- Funds derived from inclusionary zoning requirements
- Private fund raising/Donations/bequests
- Loan repayments

Board of Trustees

- manages and oversees trust
- 7 members; one from Select Board, 1 from Housing and Sheltering Committee
- Looking for experience in housing, finance, real estate
- Town Manager an 8th non-voting member
- Trustees serve 2-year terms

Establishing an Affordable Housing Trust

- Majority vote of Town Meeting
- Article must specify number of trustees, powers.
- Appointed by Select Board

- **Role of the Trust**
- Fund and support pre-development and design costs, including feasibility and engineering studies.
- Apply for grants and fund raising ideas
- Monitor the Town's Subsidized Housing Inventory (SHI)
- Provide funds to housing authority
- Buy and hold good property for affordable until someone buys it

Working with Other Local Boards and Organizations

The trust would collaborate with and support other groups such as Amherst Housing Authority, The Housing and Sheltering Committee, Valley CDC, and Craig's Doors as it carries out its mission.

The housing trust could work cooperatively with these organizations on a range of projects such as rental rehabilitation, tenant selection, marketing, pre-development steps and the trust could seek funding options with other agencies.

Questions

- How is the Town of Amherst protected financially if the MAHTF Board makes a bad decision?
- Can the Board act to spend funds with just a majority vote?
- Can the Board make decisions regarding housing development that are not subject to the Town zoning regulations?
- Can members of the Board be removed? How?
- Is the Board required to report to the Select Board and Town Meeting on its actions?
- Are meetings of the trust subject to the open meeting law?
- Would the trust be able to sell property owned by the Town without Town Meeting Action?

Questions

- Will there be continuity of the board to help ensure the success of long term projects?
- What is the difference between the trust and the Housing and Sheltering Committee?
- Would the trust compete with smaller developers, i.e. Habitat for Humanity, for local funds and resources?
- Would Town staff provide support for the trust and help manage assets or pay bills?
- How would the trust receive CPA funds?
- How many communities with a trust have CPA?
- Will the trust pay property taxes on land they own?
- Will the trust manage affordable housing (landlord)?
- Does the trust sell housing to eligible buyers?

MHP is a quasi-public agency with a mission to bring more affordable housing to MA

- LENDING - Privately-funded public non-profit organization with a primary business of providing long-term loans for the development and preservation of affordable rental housing using privately funded loan pool.
- ONE Mortgage Program – First time homebuyer program administrator.
- COMMUNITY HOUSING INITIATIVES – community technical assistance, trainings and workshops
- POLICY & New Initiatives - working with the state and other stakeholders

Trusts in Massachusetts

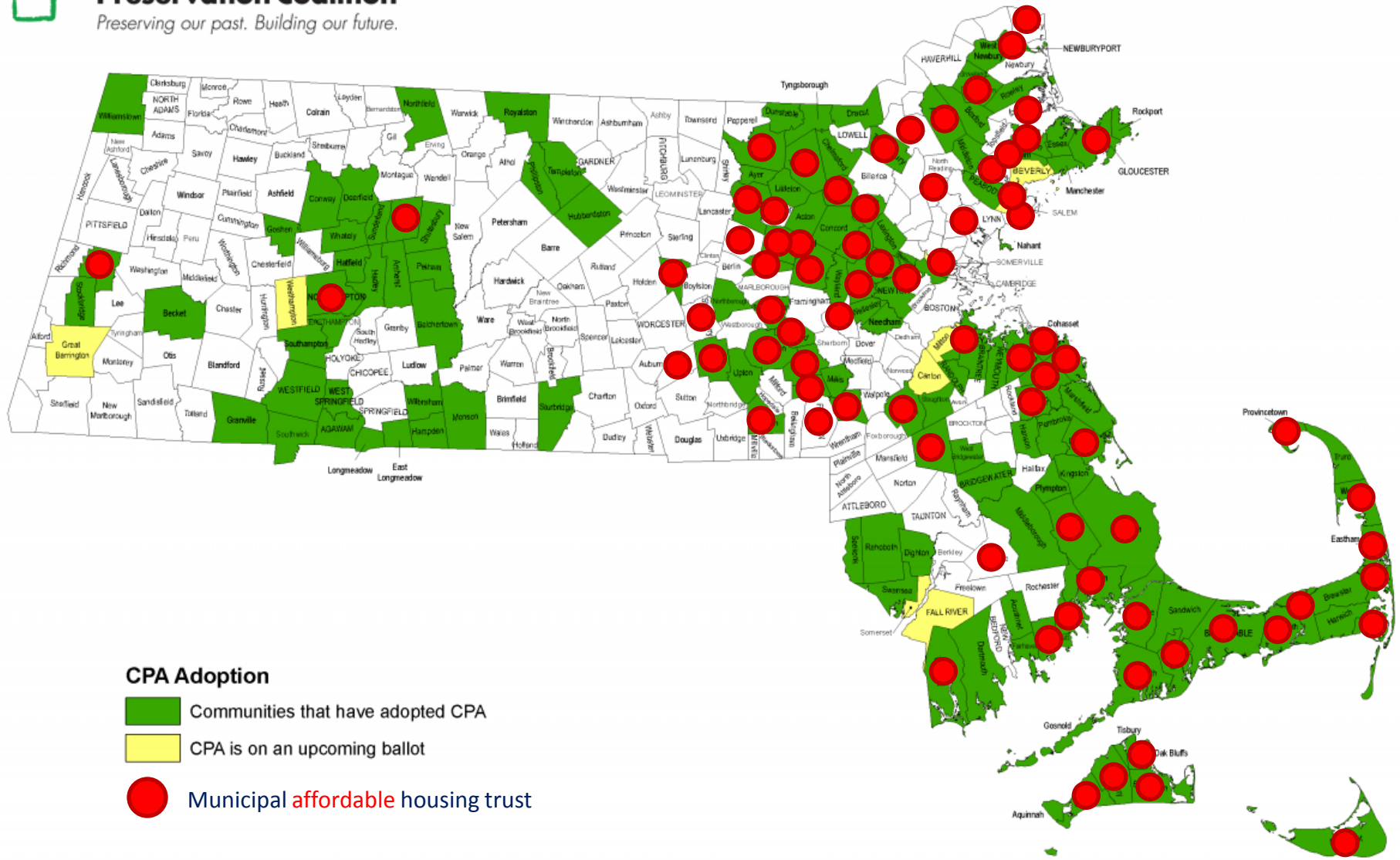


- Over 90 trusts, at all stages of the spectrum from just starting to supporting developments and administering programs.
- MHP has developed Trust Handbook and will soon release Operations Manual for Trusts



Community Preservation Coalition

Preserving our past. Building our future.



Last updated: September 5, 2012

Westford Affordable Trust

Westford Housing Authority (2013) — Capital repairs & matching state funds	\$25,000
Westford Apartment Homes (2013) — 200 units (40 at 50% AMI)	\$150,000
Cottages In The Woods (2012) 20 for-sale single-family homes	\$300,000
Veterans Housing (2010 & 2013)	\$665,000
Five units with preference for Veterans Stonybrook II (2010)	\$100,000

Plymouth Housing Trust

- Homeownership Program
 - Low-moderate income first time homebuyers
 - 15% loan @ 2%
- Rental Housing Program
 - Loan at below market interest rate
 - Deferred payment 2nd mortgage